

**W.R. Grace & CO. and Subsidiaries**

**EIN-65-0773649**

**Consolidated U.S. Corporation  
Income Tax Return**

**Taxable Year 2001**

**Book C**

**Statement Pursuant to Treasury Regulation § 1.351-3(b)**

**for**

**W. R. Grace SA**

**By**

**W. R. Grace & Co.**

**For the Year Ended September 31, 2001**

**EIN 65-0773649**

The following statement is submitted by W. R. Grace & Co. (the "Taxpayer") on behalf of its affiliate, W. R. Grace SA, with respect to the September 28, 2001 transfer of business assets worth \$66,022,000 by W. R. Grace & Co. – Conn. ("Grace – Conn.") to W. R. Grace SA.

**(1) Description of Property Received.**

On September 28 2001, W. R. Grace SA received a contribution to its capital of \$66,022,000 in business assets from Grace – Conn.

**(2) Basis in the Hands of the Transferors.**

Grace-Conn.'s basis in the business assets as of the date of the transfer was \$66,022,000.

**(3) Capital Stock of Controlled Corporation.**

**(i) Total Issued and Outstanding Capital Stock Immediately Prior To and Immediately After the Exchange.**

Grace-Conn. owned 100 percent of the issued and outstanding stock of W. R. Grace SA both immediately prior to and immediately after the exchange. W. R. Grace SA issued no shares pursuant to the transfer.

**(ii) Classes of Stock and Number of Shares Issued to Each Transferor, Number of Shares of Each Class Owned by Each Transferor Immediately Prior To and Immediately After the Exchange.**

Grace-Conn. owned 100 percent of the issued and outstanding stock of W. R. Grace SA both immediately prior to and immediately after the exchange. W. R. Grace SA issued no shares pursuant to the transfer.

(iii) **Fair Market Value of the Capital Stock Issued to Each Transferor.**

W. R. Grace SA issued no shares pursuant to the transfer.

(4) **Description of Controlled Corporation Securities.**

(i) **Securities Outstanding Immediately Prior to and Immediately After the Exchange**

Grace-Conn. owned 100 percent of the issued and outstanding stock of W. R. Grace SA both immediately prior to and immediately after the exchange.

(ii) **Securities Issued to Transferor in the Exchange.**

W. R. Grace SA issued no shares pursuant to the exchange.

(iii) **Fair Market Value Per Share of Each Class at the Date of the Exchange.**

N/A

(iv) **Subordination of Securities Issued in the Exchange.**

N/A

(5) **Money Received.**

W. R. Grace SA did not transfer any money in the exchange.

(6) **Other Property Received.**

W. R. Grace SA did not transfer any other property to Grace - Conn. in the exchange.

(7) **Liabilities Assumed by the Controlled Corporation.**

W. R. Grace SA did not assume any liabilities in the exchange.

**Statement Pursuant to Treasury Regulation § 1.6038B-1T(c)**

**For**

**W. R. Grace & Co. - Conn.**

**By**

**W. R. Grace & Co.**

**For the Year Ended December 31, 2001**

**EIN 65-0773649**

The following statement is submitted by W. R. Grace & Co. (the "Taxpayer") on behalf of its wholly-owned affiliate, W. R. Grace & Co.-Conn. ("Grace-Conn."), with respect to Grace-Conn.'s transfer of business assets on September 28, 2001 of \$66,022,000 to W. R. Grace SA.

**(1) Transferor**

W. R. Grace & Co. - Conn.      EIN13-5114230  
7500 Grace Drive  
Columbia, MD 21044

**(2) Transfer**

**(i) Transferee:**

W. R. Grace SA  
33 Route de GallardonBote Postale 3928234  
Epernon CEDEX France

**(ii) Description:**

On September 28, 2001 Grace-Conn. contributed \$66,022,000 consisting of the business assets of its French branch, W. R. Grace SAS, to the capital of W. R. Grace SA when Grace SAS was converted from a *Société par actions simplifiée* ("SAS") to a *Société anonyme* ("SA") under French law.

**(3) Consideration Received**

Grace-Conn. owned 100 percent of the issued and outstanding stock of W. R. Grace SA both immediately prior to and immediately after the exchange. Grace - Conn. did not receive any consideration in the transaction.

**(4) Property Transferred**

- (i) Active business property: See Form 5471 for a balance sheet, profit and loss statement and a general description of the business conducted by W. R. Grace SA.
- (ii) Stock or securities: None.
- (iii) Depreciated property: None.
- (iv) Property to be leased: None.
- (v) Property to be sold: None.
- (vi) Transfers to FSCs: None.
- (vii) Tainted property: None.
- (viii) Foreign loss branch: None.
- (ix) Other intangible: None.

**(5) Transfer of Foreign Branch with Previously Deducted Losses**

N/A

000261 09/03/2002

Form **5471**

(Rev. May 2001)

Department of the Treasury  
Internal Revenue Service**Information Return of U.S. Persons With  
Respect To Certain Foreign Corporations**

► See separate instructions.

Information furnished for the foreign corporation's annual accounting period (tax year required by  
section 898) (see instructions) beginning 02/07, 2001, and ending 12/31, 2001

OMB No. 1545-0704

**File in Duplicate**  
(see **When and  
Where To File** in the  
instructions)

Name of person filing this return

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Number, street, &amp; room or suite no. (or P.O. box no. if mail is not delivered to street address)

5400 BROKEN SOUND BLVD. - SUITE 300

City or town, state, and ZIP code

BOCA RATON, FL 33487

**A Identifying number**

65-0773649

**B Category of filer (See instructions. Check applicable box(es)):**1 ☐ 2 ☐ 3 ☒ 4 ☒ 5 ☒**C Enter the total percentage of the foreign corporation's voting stock  
you owned at the end of its annual accounting period**

55 %

Filer's tax year beginning 01/01, 2001, and ending 12/31, 2001

**D Person(s) on whose behalf this information return is filed:**

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
CHEVRON U.S.A. INC.	P. O. BOX 6028	25-0527925	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	SAN RAMON, CA 94583-0728		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Important:** Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U.S. dollars unless otherwise indicated.**1a Name and address of foreign corporation**ART GMBH  
IN DER HOLLERHECKE 1  
67547 WORMS GERMANY**b Employer identification number, if any****c Country under whose laws incorporated**  
GERMANY**d Date of incorporation**

10/11/2000

**e Principal place of busn.**

GERMANY

**f Principal business activity  
code number**

422600

**g Principal business activity**  
DIST OF SPECIAL  
CATALYSTS**h Functional currency**

Euro

**2 Provide the following information for the foreign corporation's accounting period stated above.****a Name, address, and identifying number of branch office or agent  
(if any) in the United States****b If a U.S. income tax return was filed, please show:****(i) Taxable income or (loss)****(ii) U.S. income tax paid  
(after all credits)****c Name and address of foreign corporation's statutory or resident  
agent in country of incorporation****d Name and address (including corporate department, if applicable) of  
person (or persons) with custody of books & records of the foreign  
corporation, and the location of such books and records, if different**

THOMAS HIRSCH

**Schedule A Stock of the Foreign Corporation****Part I — ALL Classes of Stock**

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
SHARES - EUROS		25,000

**Part II — Additional Information for Preferred Stock**

(To be completed only by Category 1 filers for foreign personal holding companies)

(a) Description of each class of Preferred stock (Note: This description should match the corresponding description entered in Part I, column (a).)	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether stock is cumulative or noncumulative

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Form **5471** (Rev. 5-2001)

(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder (Note: This description should match the corresponding description entered in Schedule A, Part I, column (a).)	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
*W. R. GRACE & CO. - CONN 7500 GRACE DRIVE COLUMBIA, MD 21044 13-5114230	SHARES - EUROS		13,750	
				55
CHEVRON U.S.A. INC. P. O. BOX 6028 SAN RAMON, CA 94583 25-0527925	SHARES - EUROS		11,250	
				45
*A WHOLLY OWNED DOMESTIC SUBSIDAIRY OF W. R. GRACE & CO.				

		Functional Currency	U.S. Dollars	
INCOME	<b>1a</b> Gross receipts or sales	<b>1a</b> 6,401,766.	5,715,177.	
	<b>b</b> Returns and allowances	<b>1b</b> 790,937.	706,109.	
	<b>c</b> Subtract line 1b from line 1a	<b>1c</b> 5,610,829.	5,009,068.	
	<b>2</b> Cost of goods sold	<b>2</b> 4,888,069.	4,363,823.	
	<b>3</b> Gross profit (subtract line 2 from line 1c)	<b>3</b> 722,760.	645,245.	
	<b>4</b> Dividends	<b>4</b>		
	<b>5</b> Interest	<b>5</b> 23,230.	20,739.	
	<b>6</b> Gross rents, royalties, and license fees	<b>6</b>		
	<b>7</b> Net gain or (loss) on sale of capital assets	<b>7</b>		
INCOME	<b>8</b> Other income (attach schedule) SEE STATEMENT 1.	<b>8</b> 31,476.	28,100.	
	<b>9</b> Total income (add lines 3 through 8)	<b>9</b> 777,466.	694,084.	
	DEDUCTIONS	<b>10</b> Compensation not deducted elsewhere	<b>10</b>	
		<b>11</b> Rents, royalties, and license fees	<b>11</b>	
		<b>12</b> Interest	<b>12</b>	
		<b>13</b> Depreciation not deducted elsewhere	<b>13</b>	
		<b>14</b> Depletion	<b>14</b>	
		<b>15</b> Taxes (exclude provision for income, war profits, and excess profits taxes)	<b>15</b>	
		<b>16</b> Other deductions (attach schedule -- exclude provision for income, war profits, and excess profits taxes) SEE STATEMENT 2.	<b>16</b> 563,457.	503,026.
<b>17</b> Total deductions (add lines 10 through 16)		<b>17</b> 563,457.	503,026.	
INCOME	<b>18</b> Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)	<b>18</b> 214,009.	191,058.	
	<b>19</b> Extraordinary items and prior period adjustments (see instructions)	<b>19</b>		
	<b>20</b> Provision for income, war profits, and excess profits taxes (see instructions)	<b>20</b> 82,965.	74,067.	
	<b>21</b> Current year net income or (loss) per books (line 18 plus line 19 minus line 20)	<b>21</b> 131,044.	116,991.	

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**Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued** (See instructions.)

(a) Name of country or U.S. possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1 U.S.			
2 GERMANY	82,714.	0.8955920	74,078.
3			
4			
5			
6			
7			
8 Total			74,078.

**Schedule F Balance Sheet**

**Important:** Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See the instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash	1		743,258.
2a Trade notes and accounts receivable	2a		139,130.
b Less allowance for bad debts	2b	( )	( -7,244.)
3 Inventories	3		1,619,545.
4 Other current assets (attach schedule)	4		0.
5 Loans to stockholders and other related persons	5		
6 Investment in subsidiaries (attach schedule)	6		
7 Other investments (attach schedule)	7		0.
8a Buildings and other depreciable assets	8a		
b Less accumulated depreciation	8b	( )	( )
9a Depletable assets	9a		
b Less accumulated depletion	9b	( )	( )
10 Land (net of any amortization)	10		
11 Intangible assets:			
a Goodwill	11a		
b Organization costs	11b		
c Patents, trademarks, and other intangible assets	11c		
d Less accumulated amortization for lines 11a, b, and c	11d	( )	( )
12 Other assets (attach schedule)	12		0.
13 Total assets	13	0.	2,509,177.
Liabilities and Stockholders' Equity			
14 Accounts payable	14		2,264,321.
15 Other current liabilities (attach schedule) SEE STATEMENT 3	15		107,141.
16 Loans from stockholders and other related persons	16		
17 Other liabilities (attach schedule)	17		0.
18 Capital stock:			
a Preferred stock	18a		
b Common stock	18b		22,064.
19 Paid-in or capital surplus (attach reconciliation)	19		0.
20 Retained earnings	20		115,651.
21 Less cost of treasury stock	21	( )	( )
22 Total liabilities and stockholders' equity	22	0.	2,509,177.



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**Schedule G Other Information**

Yes No

- 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in a foreign partnership? ☐ Yes ☒ No  
If "Yes," see the instructions for required attachment.
- 2 During the tax year, did the foreign corporation own an interest in any trust? ☐ Yes ☒ No
- 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3? ☐ Yes ☒ No  
If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.

**Schedule H Current Earnings and Profits** (See the instructions.)

**Important:** Enter the amounts on lines 1 through 5c in functional currency.

1 Current year net income or (loss) per foreign books of account.	<b>1</b>	131,044.
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
<b>a</b> Capital gains or losses	Net Additions	Net Subtractions
<b>b</b> Depreciation and amortization		
<b>c</b> Depletion		
<b>d</b> Investment or incentive allowance		
<b>e</b> Charges to statutory reserves		
<b>f</b> Inventory adjustments		
<b>g</b> Taxes	251.	
<b>h</b> Other (attach schedule)	0.	0.
3 Total net additions	251.	
4 Total net subtractions		0.
5a Current earnings and profits (line 1 plus line 3 minus line 4)	<b>5a</b>	131,295.
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)	<b>5b</b>	
c Combine lines 5a and 5b.	<b>5c</b>	131,295.
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations) (see instructions).	<b>5d</b>	117,214.
Enter exchange rate used for line 5d ▶		0.8927500

**Schedule I Summary of Shareholder's Income From Foreign Corporation** (See the instructions.)

1 Subpart F income (line 40b, Worksheet A in the instructions)	<b>1</b>	
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions)	<b>2</b>	
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	<b>3</b>	
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	<b>4</b>	
5 Factoring income	<b>5</b>	
6 Total of lines 1 through 5. Enter here and on your income tax return. See instructions	<b>6</b>	0.
7 Dividends received (translated at spot rate on payment date under section 989(b)(1))	<b>7</b>	
8 Exchange gain or (loss) on a distribution of previously taxed income.	<b>8</b>	

Yes No

- Was any income of the foreign corporation blocked? ☐ Yes ☒ No
- Did any such income become unblocked during the tax year (see section 964(b))? ☐ Yes ☒ No

If the answer to either question is "Yes," attach an explanation.

**SCHEDULE J  
(Form 5471)**

(Rev. May 2001)  
Department of the Treasury  
Internal Revenue Service

**Accumulated Earnings and Profits (E&P)  
of Controlled Foreign Corporation**

OMB No. 1545-0704

► Attach to Form 5471. See instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE & CO. & SUBSIDIARIES

Identifying number

65-0773649

Name of foreign corporation

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Important. Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
<b>1</b> Balance at beginning of year						0.
<b>2a</b> Current year E&P	131,295.					
<b>b</b> Current year deficit in E&P						
<b>3</b> Total current and accumulated E&P not previously taxed (line 1 plus line 2a, minus line 2b)	131,295.					
<b>4</b> Amounts included under sec. 951(a) or reclassified under section 959(c) in current year						
<b>5a</b> Actual distributions or reclassifications of previously taxed E&P						
<b>b</b> Actual distributions of nonpreviously taxed E&P						
<b>6a</b> Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)			0.	0.	0.	
<b>b</b> Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	131,295.	0.				
<b>7</b> Balance at end of year. (Enter amount from line 6a / line 6b, whichever is applic.)	131,295.	0.	0.	0.	0.	131,295.

For Paperwork Reduction Act Notice, see the instructions for Form 5471.

Schedule J (Form 5471) (Rev. 5-2001)

**SCHEDULE M  
(Form 5471)**(Rev. May 2001)  
Department of the Treasury  
Internal Revenue Service**Transactions Between Controlled Foreign Corporation  
and Shareholders or Other Related Persons**

OMB No. 1545-0704

▶ **Attach to Form 5471. See instructions for Form 5471.**

Name of person filing Form 5471

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Identifying number

65-0773649

Name of foreign corporation

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**Important:** Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ▶ Euro 0.8927500

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
<b>1</b> Sales of stock in trade (inventory) . . . . .					
<b>2</b> Sales of property rights (patents, trademarks, etc.) . . . . .					
<b>3</b> Compensation received for technical, managerial, engineering, construction, or like services . . . . .					
<b>4</b> Commissions received . . . . .					
<b>5</b> Rents, royalties, and license fees received . . . . .					
<b>6</b> Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income) . . . . .					
<b>7</b> Interest received . . . . .					
<b>8</b> Premiums received for insurance or reinsurance . . . . .					
<b>9</b> Add lines 1 through 8 . . . . .	0.	0.	0.	0.	0.
<b>10</b> Purchases of stock in trade (inventory) . . . . .		4,363,823.			
<b>11</b> Purchases of tangible property other than stock in trade . . . . .					
<b>12</b> Purchases of property rights (patents, trademarks, etc.) . . . . .					
<b>13</b> Compensation paid for technical, managerial, engineering, construction, or like services . . . . .					
<b>14</b> Commissions paid . . . . .					
<b>15</b> Rents, royalties, and license fees paid . . . . .					
<b>16</b> Dividends paid . . . . .					
<b>17</b> Interest paid . . . . .					
<b>18</b> Add lines 10 through 17 . . . . .	0.	4,363,823.	0.	0.	0.
<b>19</b> Amounts borrowed (enter the maximum loan balance during the year) -- see instructions . . . . .					
<b>20</b> Amounts loaned (enter the maximum loan balance during the year) -- see instructions . . . . .					

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule M (Form 5471) (Rev. 5-2001)

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**SCHEDULE O  
(Form 5471)**

(Rev. May 2001)

Department of the Treasury  
Internal Revenue Service**Organization or Reorganization of Foreign  
Corporation, and Acquisitions and  
Dispositions of its Stock**

OMB No. 1545-0704

▶ Attach to Form 5471. See instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Identifying number

65-0773649

Name of foreign corporation

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**Important:** Complete a separate Schedule O for each foreign corporation for which information must be reported.**Part I To Be Completed by U.S. Officers and Directors**

(a) Name of shareholder for whom acquisition information is reported	(b) Address of shareholder	(c) Identifying number of shareholder	(d) Date of original 10% acquisition	(e) Date of additional 10% acquisition

**Part II To Be Completed by U.S. Shareholders****Note:** If this return is required because one or more shareholders became U.S. persons, attach a list showing the names of such persons and the date each became a U.S. person.**Section A -- General Shareholder Information**

(a) Name, address, and identifying number of shareholder(s) filing this schedule	(b) For shareholder's latest U.S. income tax return filed, indicate:			(c) Date (if any) share- holder last filed info. return under section 6046 for the foreign corporation
	(1) Type of return (enter form number)	(2) Date return filed	(3) Internal Revenue Service Center where filed	
W. R. GRACE & CO. - CONN. COLUMBIA, MD 21044 13-5114230	1120	9/15/01	ATLANTA, GA	
CHEVRON U.S.A. INC. SAN RAMON, CA 94583 25-0527925	1120	9/15/01	OGDEN, UT	

**Section B -- U.S. Persons Who Are Officers or Directors of the Foreign Corporation**

(a) Name of U.S. officer or director	(b) Address	(c) Social security number	(d) Check appropriate box(es)	
			Officer	Director

**Section C -- Acquisition of Stock**

(a) Name of shareholder(s) filing this schedule	(b) Class of stock acquired	(c) Date of acquisition	(d) Method of acquisition	(e) Number of shares acquired		
				(1) Directly	(2) Indirectly	(3) Constructively
W. R. GRACE & CO. - CONN.	SHS - EUROS	02/07/2001	PURCHASE		13,750	
CHEVRON U.S.A. INC.	SHS - EUROS	02/07/2001	PURCHASE		11,250	

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Schedule O (Form 5471) (Rev. 5-2001)

Schedule O (Form 5471) (Rev. 5-2001)

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(f) Amount paid or value given	(g) Name and address of person from whom shares were acquired
15,197	FRESHFIELDS BRUCKHAUS DERINGER TAUNUSANLAGE 11, D-60329 FRANKFURT AM MAIN, GERMANY
12,434	FRESHFIELDS BRUCKHAUS DERINGER TAUNUSANLAGE 11, D-60329 FRANKFURT AM MAIN, GERMANY

**Section D -- Disposition of Stock**

(a) Name of shareholder disposing of stock	(b) Class of stock	(c) Date of disposition	(d) Method of disposition	(e) Number of shares disposed of		
				(1) Directly	(2) Indirectly	(3) Constructively
(f) Amount received	(g) Name and address of person to whom disposition of stock was made					

**Section E -- Organization or Reorganization of Foreign Corporation**

(a) Name and address of transferor		(b) Identifying number (if any)	(c) Date of transfer
(d) Assets transferred to foreign corporation			(e) Description of assets transferred by, or notes or securities issued by, foreign corporation
(1) Description of assets	(2) Fair market value	(3) Adjusted basis (if transferor was U.S. person)	

**Section F -- Additional Information**

- (a) If the foreign corporation or a predecessor U.S. corporation filed (or joined with a consolidated group in filing) a U.S. income tax return for any of the last 3 years, attach a statement indicating the year for which a return was filed (and, if applicable, the name of the corporation filing the consolidated return), the taxable income or loss, and the U.S. income tax paid (after all credits).
- (b) List the date of any reorganization of the foreign corporation that occurred during the last 4 years while any U.S. person held 10% or more in value or vote (directly or indirectly) of the corporation's stock ►
- (c) If the foreign corporation is a member of a group constituting a chain of ownership, attach a chart, for each unit of which a shareholder owns 10% or more in value or voting power of the outstanding stock. The chart must indicate the corporation's position in the chain of ownership and the percentages of stock ownership (see the instructions for an example).

♥ 000261 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
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Statement 1  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Income

Description	Functional Currency	U.S. Dollars
-----	-----	-----
OTHER INCOME	31,476	28,100
	-----	-----
Total	31,476	28,100
	=====	=====

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W. R. GRACE & CO. & SUBSIDIARIES  
ART GMBH

Statement 2  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Deductions

Description	Functional Currency	U.S. Dollars
PROFESSIONAL, CORPORATION	7,593	6,779
GENERAL STATIONARY AND SU	125	112
TELEPHONE COMMUNICATIONS	846	755
SERVICE CHARGES	38,462	34,337
EXPENSE TRANSFERS	515,773	460,456
OTHER DEDUCTIONS	658	587
Total	563,457	503,026

Statement 3  
65-0773649000261 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
ART GMBH

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 15 -- Other Current Liabilities

Detail Description	Beginning	Ending
-----	-----	-----
ACCEPTANCE PAYABLE		25,086
INCOME TAXES PAYABLE		48,110
OTHER CURRENT LIABILITIES		33,945
	-----	-----
Total	0	107,141
	=====	=====



Form **5471**

(Rev. May 2001)

Department of the Treasury  
Internal Revenue Service

# **Information Return of U.S. Persons With Respect To Certain Foreign Corporations**

► See separate instructions.

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning **01/01**, 20**01**, and ending **12/31**, 20**01**

OMB No. 1545-0704

File in Duplicate

(see **When and  
Where To File** in the  
instructions)

Name of person filing this return <b>W. R. GRACE &amp; CO. &amp; SUBSIDIARIES</b>		<b>A Identifying number</b> <b>65-0773649</b>
Number, street, & room or suite no. (or P.O. box no. if mail is not delivered to street address) <b>5400 BROKEN SOUND BLVD. - SUITE 300</b>		<b>B Category of filer</b> (See instructions. Check applicable box(es)): 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input checked="" type="checkbox"/>
City or town, state, and ZIP code <b>BOCA RATON, FL 33487</b>		<b>C</b> Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period <b>100%</b>
Filer's tax year beginning <b>01/01</b> , 20 <b>01</b> , and ending <b>12/31</b> , 20 <b>01</b>		

**D Person(s) on whose behalf this information return is filed:**

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

**Important:** Fill in all applicable lines and schedules. All information **must** be in the English language. All amounts **must** be stated in U.S. dollars unless otherwise indicated.

<b>1a</b> Name and address of foreign corporation <b>GRACE DAREX GMBH ERLENGANG 31 22844 NORDERSTEDT, GERMANY</b>				<b>b</b> Employer identification number, if any	
				<b>c</b> Country under whose laws incorporated <b>GERMANY</b>	
<b>d</b> Date of incorporation <b>10/16/97</b>	<b>e</b> Principal place of busn. <b>GERMANY</b>	<b>f</b> Principal business activity code number <b>325900</b>	<b>g</b> Principal business activity <b>OTHER CHEMICAL PRODUCT MFG</b>	<b>h</b> Functional currency <b>Euro</b>	

**2** Provide the following information for the foreign corporation's accounting period stated above.

<b>a</b> Name, address, and identifying number of branch office or agent (if any) in the United States		<b>b</b> If a U.S. income tax return was filed, please show:	
		(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)
<b>c</b> Name and address of foreign corporation's statutory or resident agent in country of incorporation		<b>d</b> Name and address (including corporate department, if applicable) of person (or persons) with custody of books & records of the foreign corporation, and the location of such books and records, if different  <b>I HEDDE</b>	

**Schedule A Stock of the Foreign Corporation**

**Part I — ALL Classes of Stock**

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
COMMON	500,000	500,000

**Part II — Additional Information for Preferred Stock**

(To be completed only by Category 1 filers for foreign personal holding companies)

(a) Description of each class of Preferred stock (Note: This description should match the corresponding description entered in Part I, column (a).)	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether stock is cumulative or noncumulative

For Paperwork Reduction Act Notice, see the separate instructions.

Form **5471** (Rev. 5-2001)

<b>Schedule B</b>	<b>U.S. Shareholders of Foreign Corporation</b> (See the instructions.)
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99.9

**Important:** Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

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**Schedule E** Income, War Profits, and Excess Profits Taxes Paid or Accrued (See instructions.)

(a) Name of country or U.S. possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1 U.S.			
2 GERMANY	196,921.	0.8825500	173,793.
3			
4			
5			
6			
7			
8 Total			173,793.

**Schedule F** Balance Sheet

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See the instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash	1	2,547,627.	2,271,077.
2a Trade notes and accounts receivable	2a	2,515,103.	3,156,087.
b Less allowance for bad debts	2b	( -93,878. )	( -45,640. )
3 Inventories	3	2,081,437.	1,880,246.
4 Other current assets (attach schedule) SEE STATEMENT 3	4	128,696.	60,489.
5 Loans to stockholders and other related persons	5		
6 Investment in subsidiaries (attach schedule)	6		
7 Other investments (attach schedule)	7	0.	0.
8a Buildings and other depreciable assets	8a	14,800,226.	14,307,719.
b Less accumulated depreciation	8b	(9,672,047. )	( 9,803,886. )
9a Depletable assets	9a		
b Less accumulated depletion	9b	( )	( )
10 Land (net of any amortization)	10	1,067,509.	1,103,052.
11 Intangible assets:			
a Goodwill	11a	599,999.	568,563.
b Organization costs	11b		
c Patents, trademarks, and other intangible assets	11c	4,635,981.	4,393,085.
d Less accumulated amortization for lines 11a, b, and c	11d	(5,235,980. )	( 4,961,648. )
12 Other assets (attach schedule) SEE STATEMENT 4	12	146,161.	1,129.
13 Total assets	13	13,708,590.	13,021,553.
Liabilities and Stockholders' Equity			
14 Accounts payable	14	1,065,044.	745,810.
15 Other current liabilities (attach schedule) SEE STATEMENT 5	15	2,873,555.	2,791,539.
16 Loans from stockholders and other related persons	16		
17 Other liabilities (attach schedule) SEE STATEMENT 6	17	571,070.	449,291.
18 Capital stock:			
a Preferred stock	18a		
b Common stock	18b	238,095.	225,620.
19 Paid-in or capital surplus (attach reconciliation)	19	10,999,989.	10,423,659.
20 Retained earnings	20	-2,039,163.	-1,614,366.
21 Less cost of treasury stock	21	( )	( )
22 Total liabilities and stockholders' equity	22	13,708,590.	13,021,553.

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Page 4

**Schedule G Other Information**

- Yes No
- 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in a foreign partnership? ☐ ☒  
If "Yes," see the instructions for required attachment.
  - 2 During the tax year, did the foreign corporation own an interest in any trust? ☐ ☒
  - 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3? ☐ ☒  
If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.

**Schedule H Current Earnings and Profits** (See the instructions.)

**Important:** Enter the amounts on lines 1 through 5c in functional currency.

1 Current year net income or (loss) per foreign books of account. ....	<b>1</b>	360,265.
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
	<b>Net Additions</b>	<b>Net Subtractions</b>
a Capital gains or losses .....		
b Depreciation and amortization .....		
c Depletion .....		
d Investment or incentive allowance .....		
e Charges to statutory reserves .....		
f Inventory adjustments .....		
g Taxes .....	108,430.	
h Other (attach schedule) .....	4.	0.
3 Total net additions .....	108,434.	
4 Total net subtractions .....		0.
5a Current earnings and profits (line 1 plus line 3 minus line 4) .....	<b>5a</b>	468,699.
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions) .....	<b>5b</b>	
c Combine lines 5a and 5b .....	<b>5c</b>	468,699.
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations) (see instructions) .....	<b>5d</b>	418,431.
Enter exchange rate used for line 5d ►		0.8927500

**Schedule I Summary of Shareholder's Income From Foreign Corporation** (See the instructions.)

1 Subpart F income (line 40b, Worksheet A in the instructions) .....	<b>1</b>	
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions) .....	<b>2</b>	
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions) .....	<b>3</b>	
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions) .....	<b>4</b>	
5 Factoring income .....	<b>5</b>	
6 Total of lines 1 through 5. Enter here and on your income tax return. See instructions .....	<b>6</b>	0.
7 Dividends received (translated at spot rate on payment date under section 989(b)(1)) .....	<b>7</b>	
8 Exchange gain or (loss) on a distribution of previously taxed income. ....	<b>8</b>	

- Yes No
- Was any income of the foreign corporation blocked? ☐ ☒
  - Did any such income become unblocked during the tax year (see section 964(b))? ☐ ☒
- If the answer to either question is "Yes," attach an explanation.

**SCHEDULE J  
(Form 5471)**(Rev. May 2001)  
Department of the Treasury  
Internal Revenue Service**Accumulated Earnings and Profits (E&P)  
of Controlled Foreign Corporation**

OMB No. 1545-0704

▶ Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Identifying number

65-0773649

Name of foreign corporation

GRACE DAREX GMBH

Important. Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
<b>1</b> Balance at beginning of year	860,031.	659,709.				1,519,740.
<b>2a</b> Current year E&P	468,699.					
<b>b</b> Current year deficit in E&P						
<b>3</b> Total current and accumulated E&P not previously taxed (line 1 plus line 2a, minus line 2b)	1,328,730.	659,709.				
<b>4</b> Amounts included under sec. 951(a) or reclassified under section 959(c) in current year						
<b>5a</b> Actual distributions or reclassifications of previously taxed E&P						
<b>b</b> Actual distributions of nonpreviously taxed E&P						
<b>6a</b> Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)			0.	0.	0.	
<b>b</b> Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	1,328,730.	659,709.				
<b>7</b> Balance at end of year. (Enter amount from line 6a / line 6b, whichever is applic.)	1,328,730.	659,709.	0.	0.	0.	1,988,439.

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 5-2001)

**SCHEDULE M**  
**(Form 5471)**  
 (Rev. May 2001)  
 Department of the Treasury  
 Internal Revenue Service

**Transactions Between Controlled Foreign Corporation  
 and Shareholders or Other Related Persons**

OMB No. 1545-0704

▶ Attach to Form 5471. See instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Identifying number

65-0773649

Name of foreign corporation

GRACE DAREX GMBH

**Important:** Complete a **separate** Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ▶ Euro 0.8927500

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
<b>1</b> Sales of stock in trade (inventory) . . . . .		21,149.	3,359,057.		
<b>2</b> Sales of property rights (patents, trademarks, etc.) . . . . .					
<b>3</b> Compensation received for technical, managerial, engineering, construction, or like services . . . . .		85,456.	171,900.		
<b>4</b> Commissions received . . . . .			1,291,705.		
<b>5</b> Rents, royalties, and license fees received . . . . .			112,896.		
<b>6</b> Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income) . . . . .					
<b>7</b> Interest received . . . . .			23,653.		
<b>8</b> Premiums received for insurance or reinsurance . . . . .					
<b>9</b> Add lines 1 through 8 . . . . .	0.	106,605.	4,959,211.	0.	0.
<b>10</b> Purchases of stock in trade (inventory) . . . . .		4,087.	297,446.		
<b>11</b> Purchases of tangible property other than stock in trade . . . . .					
<b>12</b> Purchases of property rights (patents, trademarks, etc.) . . . . .					
<b>13</b> Compensation paid for technical, managerial, engineering, construction, or like services . . . . .		45,486.	190,752.		
<b>14</b> Commissions paid . . . . .			64,966.		
<b>15</b> Rents, royalties, and license fees paid . . . . .					
<b>16</b> Dividends paid . . . . .					
<b>17</b> Interest paid . . . . .					
<b>18</b> Add lines 10 through 17 . . . . .	0.	49,573.	553,164.	0.	0.
<b>19</b> Amounts borrowed (enter the maximum loan balance during the year) -- see instructions . . . . .					
<b>20</b> Amounts loaned (enter the maximum loan balance during the year) -- see instructions . . . . .					

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule M (Form 5471) (Rev. 5-2001)

♥ 000420 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
GRACE DAREX GMBH

Statement 1  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Income

Description	Functional Currency	U.S. Dollars
-----	-----	-----
OPERATING REVENUE	107,524	95,992
OTHER INCOME	73,300	65,439
INTER CORP. OTHER INCOME	1,682,690	1,502,221
	-----	-----
Total	1,863,514	1,663,652
	=====	=====

000420 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
GRACE DAREX GMBH

Statement 2  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Deductions

Description	Functional Currency	U.S. Dollars
PROFESSIONAL, CORPORATION	422,255	376,968
CHARITABLE DEDUCTIONS	383	342
ADVERTISING	101,937	91,004
GENERAL STATIONARY AND SU	105,341	94,043
TELEPHONE COMMUNICATIONS	317,912	283,816
OPERATING COSTS	59,102	52,763
UTILITIES	158,337	141,355
REPAIRS AND MAINTENANCE	312,574	279,050
INSURANCE	79,931	71,358
SERVICE CHARGES	18,729	16,720
EXPENSE TRANSFERS	105,062	93,794
OTHER DEDUCTIONS	143,737	128,321
INTER CORP. - OTHER EXP.	73,115	65,273
Total	1,898,415	1,694,807



000420 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
GRACE DAREX GMBH

Statement 3  
65-0773649

Tax Year Ended 12/31/2001

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Schedule F, line 4 -- Other Current Assets

Detail Description	Beginning	Ending
OTHER PREPAYMENTS AND OTH	22,969	46,704
CURRENT DEFERRED TAXES	105,727	13,785
Total	128,696	60,489

000420 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
GRACE DAREX GMBH

Statement 4  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 12 -- Other Assets

Detail Description	Beginning	Ending
-----	-----	-----
DEFERRED CHARGES	19,954	1,129
NON CURRENT DEFERRED TAXE	126,207	
	-----	-----
Total	146,161	1,129
	=====	=====

000420 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
GRACE DAREX GMBH

Statement 5  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 15 -- Other Current Liabilities

Detail Description	Beginning	Ending
-----	-----	-----
ACCEPTANCE PAYABLE	6,046	-40,011
INCOME TAXES PAYABLE	-230	173,959
ACCRUED CURRENT LIABILITY	981,737	993,554
OTHER CURRENT LIABILITIES	105,904	165,710
DEFERRED INCOME	19,463	
INDEMNITIES, PENSIONS AND	2,293,091	2,620,914
INTER CORPORATE BAL. WITH	-532,456	-1,122,587
	-----	-----
Total	2,873,555	2,791,539
	=====	=====

000420 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
GRACE DAREX GMBH

Statement 6  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 17 -- Other Liabilities

Detail Description	Beginning	Ending
NON CURRENT DEFERRED TAX	571,070	449,291
Total	571,070	449,291